<u>REMARKS</u>

In a final Office Action dated November 19, 2003, claims 1, 3, 4, 7-11 and 20 were rejected under 35 U.S.C. § 103 as unpatentable over the combination of U.S. Patent No. 4,541,227 to Coad et al. combined with U.S. Patent No. 1,713,341 to Kroemer and German Patent No. DE 3416710 to Lissner. On December 18, 2003, the applicants filed an amendment under 37 C.F.R. § 1.116. The Examiner declined to enter the amendment in the Advisory Action dated January 21, 2004 noting that "the proposed amendment to claim 1 raises new issues with respect to the dependent claims."

The applicants kindly request reconsideration of the amendment under 37 C.F.R. § 1.116. It should be noted that Coad teaches directly away from the claimed invention by disclosing kraft bale bags that are maintained in a horizontal stack. (See Figure 1 and column 2, lines 52-54.) That is, the bags in Coad are lying on their side and held in position by a rectangular frame. Figures 3-8 illustrate the use of the bag with the machinery of Coad. During the entire bag extraction process, opening process and loading process, the kraft bale bag is still in a horizontal configuration. After the kraft bale is completely loaded, the loading table is rotated such that the fully loaded bag is now in a vertical orientation, as illustrated in Figure 8. Given the apparatus of Coad, there is no need for an aperture in the back portion of a bag nor a cutaway portion in the front of the bag to expose the aperture. Thus, the entire approach taken by Coad teaches directly away from the bag of the claimed invention by disclosing bags In a horizontal configuration within a rectangular rack. There is no need for an aperture because the bags are mounted horizontally and are never hung from a protruding member in a vertical orientation. Accordingly, there is no teaching by Coad to modify the bag in a manner suggested in the Office Action nor is there any motivation to combine the references in the manner suggested in the Office Action.

Kroemer discloses a consumer sized bag intended to be removed from a spindle individually by the user grasping the bottom of the bag. (See column 3, lines 8-12.) The bag of Kroemer was never intended for use in an automated process. Kroemer discloses a slit extending from the aperture to the edge of the bag as a critical

feature whose purpose is to prevent tearing of the bag during removal from the spindle. Kroemer states that the weight of the bag is supported by the tongue 24 when supported on the spindle. (See page 1, lines 109-111.) Such an arrangement would not work in a manner suggested in the Office Action. The slit in Kroemer would cause premature separation of the bag from the protruding member and allow the bag to drop off the spindle or to jam the automated machinery. In a declaration filed May 1, 2003, the declarant notes that Kroemer is not the equivalent of a shipping bale, which were not introduced to the marketplace until the 1970's. The declarant states that "the single wall bag described in Kroemer would not be considered as an acceptable substitute for a bale. I believe that one skilled in the art looking for ways to automate the use of the bale loading process would not look to the Kroemer reference as providing a suitable teaching since the bag disclosed would be totally inappropriate for use as a bale." (See Declaration page 3.)

Lissner is cited in the Office Action as teaching multiple paper layers to construct a bag. Lissner is a German patent, but the English language abstract discloses a large number of layers of paper that are interwoven in a particular configuration to provide strength. Lissner does not teach or suggest the use of an aperture in the rear portion of the bag nor disclose any structure that would suggest its application in an automated process or disclose any operation in which the bag is mounted in a vertical orientation.

The Office Action has clearly used the claims as a roadmap to combining references in a piecemeal fashion. For example, the Coad reference is cited only for disclosing a shipping bag capable of containing multiple prepackaged bags. The Office Action ignores the fact that Coad also discloses the conventional approach to bag manufacturing, loading and use in automated machinery. That is, the bags are mounted horizontally in a magazine and are not hung vertically on a protruding member for extraction and loading as are the bags in the claimed invention. Thus, Coad teaches directly away from the claimed invention. This aspect of Coad has been totally ignored.

In addition, claim 20 recites *inter alia* "an aperture in the unfolded upper portion of the first opposing panel proximate the top portion with the first opposing panel having a continuous perimeter surrounding the aperture." In a previous telephone conference with the Examiner, the Examiner suggested such language to distinguish over Kroemer. As noted above, Kromer has a slit extending from the top edge of the bag to the aperture. This slit makes it totally inappropriate and unacceptable for use in an automated process.

In an Office Action dated February 28, 2003, the Examiner admitted that the amended language of claim 20 clearly distinguished over Kroemer and cited two additional references, U.S. Patent No. 6,024,489 to Fox or U.S. Patent No. 5,741,076 to Cammack as disclosing bags with a continuous perimeter surrounding the aperture. The declaration of May 1, 2003 also discusses the inapplicability of Fox and Cammack. Both these references are consumer sized polybags that are not intended for bulk shipping. The use polybags is unacceptable as a shipping bale due to sunlight exposure. Furthermore, the bags of Fox and Cammack both have partial slits in an area near the aperture to permit controlled tearing of the bags during the removal process. As noted in the declaration of May 1, 2003, "the vertical slits shown in Cammack and Fox et al. would permit premature separation of the bag from the wickets. This would jam automated machinery and cause significant loss of productivity. One of ordinary skill in the art would not look to polybags as an acceptable substitute for paper bales and would be unlikely to use references such as Cammack and Fox et al. to design the claimed bale."

None of the references cited in the Office Action of November 19, 2003 suggest a bag, such as that recited in claim 20. The continuous perimeter surrounding the aperture clearly distinguishes over Kroemer.

Furthermore, the applicants respectfully point to the declaration of May 1, 2003 to offer secondary indicia of non-obviousness related to the claimed invention. The declarant, who has more than 40 years of experience in produce shipping, has indicated that the shipping industry has a long felt, but unfulfilled, need for a shipping container capable of use with automated machinery. (See declaration, page 5.)

Since the introduction of the inventive paper bale in 2001, virtually all paper bales manufactured in the United States and Canada are made in accordance with the teaching of the pending patent application and the inventive paper bales have experienced great acceptance and commercial success. The declarant states "in my opinion, the commercial success has resulted directly from the invention claimed in the pending application. The inventive bale has been used in a variety of different machine designs and has been found to have the desirable characteristics of a bale, and to be useful in an automated process. The bale of the claimed invention has permitted the reliable automation of the potato packing process with significantly reduced labor costs and shipping costs. The paper bags and polybags shown in the cited prior art patents have been around for many years, but never utilized and are inappropriate for use as a bale, thus they did not solve the problems of the industry solved by the claimed paper bale and have had no commercial success as a bale." (See Declaration page 4.)

Thus, the claims as amended in the Amendment Under 37 C.F.R. § 1.116 clearly distinguish over the references and are believed allowable. The applicants have made a good faith effort to place claims in condition for allowance. Reconsideration of the application and its allowance are kindly requested. If questions remain regarding the application, the Examiner is invited to contact the undersigned at (206) 628-7640.

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